

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 3145 - HB 3346

March 4, 2010

SUMMARY OF BILL: Requires the Bureau of TennCare to mandate that all managed care organizations (MCOs) utilize one standardized electronic billing system for the submission and processing of all Medicaid nursing facility claims.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$25,000

Increase Federal Expenditures - \$25,000

Assumptions:

- The new CHOICES program went live on March 1, 2010, in middle Tennessee with a revised payment system
- According to the Bureau of TennCare, requiring a payment system for use by the MCOs for nursing home claims will result in an increase in administrative costs.
- TennCare estimates an increase in recurring expenditures of \$50,000.
- The state will receive a 50 percent federal match rate for these administrative costs resulting in an increase in state expenditures of \$25,000 and federal expenditures of \$25,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

/kml

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